



# Budget



+ wealth + security

# Booster

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Saving is great but investing is even better. By investing your hard-earned savings, you're making your money work for you. Investigate the range of investment options available in today's ever changing financial marketplace.

## Successful saving

- The average annual wage is now around \$60,000 – more than enough to put something away for a rainy day
- Studies show that Australian households are more likely to be in debt than to be in the habit of saving
- Many people increase their level of spending with every salary increase

## Why save?

- Make you feel more secure about meeting your needs, such as rent or mortgage payments, bills and living expenses
- Make it possible to achieve some of your wants, such as a holiday, new car or increased retirement savings

## Short-term

- Frees you up from the stress of living from one payday to another

- Access savings instead of potentially higher interest options such as credit cards or cash advances

## Medium-term

- Establishes a financial track record
- Make it easier for you to achieve previously unreachable goals such as a holiday or new car

## Longer-term

- Increasing your quality of life
- To supplement your superannuation when you retire
- Can fund other longer-term investments such as shares or managed funds

## How much is enough?

- A savings goal is personal and depends on what you want to achieve and by when
- Save between five and 10 per cent of your gross (pre-tax) income
- Saving more than 10 per cent is likely to be unsustainable

## Where do I want to be?

- Set some short, medium and long-term goals so you can start slowly, until you get the hang of it

## How do I start?

- High-interest earning account or a cash management account, separate to your everyday banking
- Savings will grow quickly (as long as you don't touch them)
- Ask if your employer can put money from your pre-tax salary straight into a savings vehicle or even your superannuation
- Share purchase schemes where you can't access your money for a year

The sooner you start, the sooner you can reach your savings goals and enjoy the financial security you deserve. Speaking to a financial adviser can help you understand what's best for you.

Source | IOOF

Your local adviser office is located at:

 **SDE**  
Accountants 7 Arundell Avenue, NAMBOUR